

# HOUSE BILL No. 1458

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** P.L.107-2002, SECTION 36.

**Synopsis:** Medicaid prescription drug waiver. Allows the office of Medicaid policy and planning to limit access to prescription drugs for prescription drug program recipients to prevent fraud, abuse, waste, overutilization, and inappropriate utilization.

**Effective:** Upon passage.

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January 15, 2003, read first time and referred to Committee on Public Health.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1458

A BILL FOR AN ACT concerning Medicaid.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. P.L.107-2002, SECTION 36, IS AMENDED TO  
2       READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION  
3       36. (a) As used in this SECTION, "office" refers to the office of  
4       Medicaid policy and planning.  
5       (b) The office shall develop a federal Medicaid waiver application  
6       under which a prescription drug program may be established or  
7       implemented to provide access to prescription drugs for low-income  
8       senior citizens.  
9       (c) Before the office may submit an application for a federal  
10      Medicaid waiver that will have an effect on the Indiana prescription  
11      drug program established under IC 12-10-16, the following must occur:  
12      (1) The office shall submit the proposed Medicaid waiver to the  
13      prescription drug advisory committee established under this act.  
14      (2) The prescription drug advisory committee must review, allow  
15      public comment, and approve the proposed Medicaid waiver.  
16      (d) A prescription drug program established or implemented by the  
17      office or a contractor of the office under this SECTION may ~~only~~ not



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limit access to prescription drugs for prescription drug program recipients, **except that:**

(1) **access may be limited** to the extent that restrictions are in place in the Medicaid program on the date of enactment of this act;

(2) **access may be limited to prevent the following:**

(A) **Fraud.**

(B) **Abuse.**

(C) **Waste.**

(D) **Overutilization of prescription drugs.**

(E) **Inappropriate utilization of prescription drugs; and**

(3) **the office may implement the same preferred drug list that is used in the state Medicaid program.**

(e) Changes to a prescription drug program that:

(1) is established or implemented by the office or a contractor of the office under this SECTION; and

(2) uses money from the Indiana prescription drug account established under IC 4-12-8-2;

must be approved by the prescription drug advisory committee established under this act.

(f) Before July 1, 2002, the office shall apply to the United States Department of Health and Human Services for approval of any waiver necessary under the federal Medicaid program to provide access to prescription drugs for low income senior citizens.

(g) A Medicaid waiver developed under this SECTION must limit a prescription drug program's state expenditures to funding appropriated to the Indiana prescription drug account established under IC 4-12-8-2 from the Indiana tobacco master settlement agreement fund.

(h) The office may not implement a waiver under this SECTION until the office files an affidavit with the governor attesting that the federal waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver is approved.

(i) If the office receives a waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (f), the office shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

**SECTION 2. An emergency is declared for this act.**

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